



**State of Louisiana**  
DIVISION OF ADMINISTRATION

**OFFICE OF STATE TRAVEL**

M. J. AMIKE® FOSTER, JR.  
GOVERNOR

MARK C. DRENNEN  
COMMISSIONER OF ADMINISTRATION

**TRAVEL MEMORANDUM #03/02**  
**NEW TRANSACTION FEES**  
**March 15, 2002**

Effective immediately, Delta Airlines has eliminated all base commissions for tickets sold by travel agents in the US. This will cause transaction fees issued by our contracted travel agency to increase for Delta tickets issued to state travelers.

At the time our Travel Agency Services contract was awarded, the base commission on an airline ticket was 5%. It was anticipated before the end of the contract that commissions paid by airlines may be reduced. Therefore, the state provided for a sliding scale that would allow an increase in transaction fees if commissions were cut.

The allowance for a transaction fee increase is based on replacing any lost commission suffered by our contract travel agency. The average state contract ticket cost is \$300. This would result in a loss of \$3 for every 1% of commission reduction. Since the commission reduction was 5%, the increased fee will be \$15. The current transaction fee is \$8, and with the new increase of \$15 the **total transaction fee will be \$23**.

Currently the increased transaction fee of \$23 will only be on tickets issued for Delta Airlines, however, it is anticipated that other airlines will follow their lead. As this occurs, the same increase will become effective.

All notices will be published on our website at: [www.state.la.us/osp/travel](http://www.state.la.us/osp/travel). We will continually update our site as we move through this transition period.

Thank you for your continued support.

Jimmie L. Sanders  
Assistant Director of Travel & Finance